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COMMITTEE ON AGRICULTURE
CHAIRMAN

CONGRESS OF THE UNITED STATES
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May 24, 2010

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 Twelfth Street, SW
Washington, DC 20554

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Dear Chairman Genachowski,

I am concerned about the Commission's recent proposal to make significant changes to the Video Relay Service (VRS) compensation process. As you know, VRS enables Americans who are deaf and hard-of-hearing to make routine and emergency calls using their own language. The Americans with Disabilities Act directs the Commission to ensure that deaf and hard-of-hearing individuals have access to "functionally equivalent" telecommunications services nationwide.

I understand that the Commission intends to shift from the long-term compensation method, to a "cost plus" method which may not account for the real costs of providing VRS. I am concerned that the proposed compensation rate structure could result in certain VRS providers being paid as much as 50% more than others for the same service.

I encourage the Commission to look carefully at potential severe and unintended consequences these new rates may have on the deaf community. While I understand that the VRS compensation program has suffered from a number of instances of fraud, I fail to see how this new rate structure will reduce fraud.

We need to ensure that any rate structure is fair, predictable, and will encourage innovation and advancement.

Sincerely,



Collin C. Peterson
Member of Congress

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

August 5, 2010

The Honorable Collin C. Peterson
U.S. House of Representatives
2211 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Peterson:

Thank you for your letter regarding the reimbursement rate for Video Relay Service (VRS). I share your support for VRS, which has become a critical communications tool for many who are deaf or hard of hearing.

On June 28, 2010, the Commission unanimously adopted two items to address immediate and long-term approaches for sustaining the vital Telecommunications Relay Services, of which VRS is one form. In an *Order*, the Commission sets interim VRS rates for the July 1, 2010 – June 30, 2011 period at \$6.2390 for Tier I, \$6.2335 for Tier II, and \$5.0668 for Tier III. These rates represent the average of the current tiered rates and NECA's proposed rates based on actual, historical costs. The *Order* notes that these rates also reflect a balance between the goal of ensuring that VRS providers recover from the VRS Fund only the reasonable costs caused by their provision of VRS and the goal of ensuring quality and sufficient service during a one-year period.

The other item adopted on June 28 is a *Notice of Inquiry* to take a fresh look at the VRS rules with an eye to ensuring that this vital program remains effective, efficient, and sustainable in the future. The *Notice* poses questions that delve into many cost and reimbursement related issues, seeking to make the program less susceptible to the waste, fraud, and abuse that have plagued the current program. Bringing clarity and predictability to VRS compensation is high on the Commission's list of priorities, and we will resolve this proceeding as expeditiously as possible. I am enclosing a copy of the Commission's News Release for your information.

I appreciate your continuing interest in this very important matter. Please let me know if I can be of any further assistance.

Sincerely,



Julius Genachowski